

MINUTES

WORKING SESSION CITY COUNCIL 401 WEST WASHINGTON STREET EAST PEORIA, ILLINOIS

February 19, 2019

Mayor Mingus called the Working Session of the City Council of East Peoria, Illinois to order at 4:00 P.M. with the meeting having been properly noticed.

Upon the roll being called the following answered present: Mayor David W. Mingus, Commissioners Daniel S. Decker, Commissioner Gary R. Densberger, Timothy J. Jeffers, and John P. Kahl.

Absent: None.

Mayor Mingus explained that the City Council is meeting for a Working Session and that no final action would take place by the City Council at the meeting. He explained that the purpose of the meeting is to have a Working Session regarding a presentation on Budget Discussions. He turned the discussion over to Commissioner Densberger who explained that the operational budget is pretty much ready for proposal to the city council and discussions would begin with capital improvement program requests. He explained that there are several requests for streets. Commissioner Decker gave a background of the roundabout that is in front of Embassy Suites at the intersection of River Road and West Washington Street. He explained that a roundabout is needed due in part to several reasons including traffic backup concerns. The opportunity for a roundabout came due to regional road project through the Peoria Pekin Urbanized Area Transportation Study (PPUATS) that would cost the city essentially a third of the costs of the construction of the project plus engineering costs. He explained that the city did not want to do the project if the project took away from normal street maintenance budget. He explained that there was an understanding that the monies for the project would come from TIF funds but that is now not an option and the city would now need to take away from the city street maintenance budget. He does not feel that the city council wants to do anything that will harm the city, but it does not also want to take away from the regular street maintenance in the city. Commissioner Decker turned the discussion over to Director of Public Works, Dennis Barron. Director Barron explained deferring the project to a future date. The project would not need to recompute, but the project would go to the end of the line for funding. He explained that it has been done in the past and moving this project a few years down the road rather than losing the investment of monies that have been spent on planning would allow the city to essentially postpone the project. Commissioner Decker explained that it is something worth considering on whether to postpone the project, and he would like to ask questions from the City Attorney, Engineer Patrick Meyer, and Street Superintendent, Ric Semonski. Commissioner Decker explained that he wants to ensure that there is not the potential that the next time that the city requests funding that it may not be done due to postponing a project that has been approved for funding, and he wants to ensure that the city plans for regular street maintenance. The capital planning sheet plans for level payments of \$300,000 per year for three years to pay for the roundabout project.

Commissioner Jeffers inquired as to whether the state portion of the funding stays static or if it goes up for the overall cost for inflation if project is postponed. Director Barron and Superintendent Semonski explained that if the bids come in higher, the city's amount would increase, and the state's funding remains unchanged. Commissioner Jeffers inquired as to why it is an either-or question. Commissioner Densberger explained that the question about whether to proceed with the roundabout affects the dollars available in the capital budget. Commissioner Jeffers explained that seventy percent of the construction costs will be funded by the state.

Commissioner Decker inquired as to when payments for the project would be due. Commissioner Jeffers inquired about the other projects on the PPUATS list. Director Barron and Superintendent Semonski explained that the Centennial Drive project did not receive enough votes. There are four other city projects that would be PPUATS funding eligible, including Centennial Drive hill, Grange Road, Bass Pro Drive extension from Route 116, and Highview Road. Commissioner Decker explained that the other projects will need to be done if the city can do one of the other projects, and he would like to begin the Highview Road project this year and will need to be done prior to 2024-2025. Until a project is funded the estimated amounts for the 70% is not set in place.

Commissioner Kahl commented on only \$550,000 being allocated toward streets. He cannot believe the City Council is contemplating the roundabout project. He feels that the city has neglected the streets that we have now. He feels that we will need to plan and prioritize. He expressed his opinion that the roundabout is not a priority when the city has streets falling apart.

Commissioner Jeffers explained that he and Commissioner Decker have expressed the need to spend monies on streets since they have been on the city council. He explained that the city has forgone spending on streets and the city gets farther behind on street maintenance. He explained that the city has underestimated sales tax receipts in being conservative and that the city may have more money. He is hopeful that the state makes changes with the pension reform to spread out the payments and free up additional monies for the city.

Commissioner Decker inquired as to how the city would pay for Grange Road, Highview and other roads. He explained that the decision to move forward with a roundabout or not is more for planning for the future.

Commissioner Kahl explained that he will not support funding something above and beyond what we have.

Mayor Mingus inquired from the city council on how to proceed forward on whether the city council would like to appropriate the monies for the roundabout toward street maintenance. Commissioner Decker asked for more time because he does not want the decision to affect other PPUATS eligible projects in the future. He explained that when they originally did this the city administrator said that this would be paid for from TIF funds and some from hotel/motel funds. Commissioner Decker stated that he made statements that he and likely others did that they would not support this in lieu of city streets. Commissioner Densberger commented on capital expenses and explained that he will reserve \$300,000 for the project pending more information. Commissioner Kahl inquired about the \$86,000 for the roundabout and whether the \$300,000 included the \$86,000. Director of Finance/Treasurer, Jeff Becker explained that the \$86,000 is already in Camp Street TIF and the \$300,000 is in addition to the \$86,000.

Commissioner Densberger commented on the capital expenses requests spreadsheet including monies for upgrades to the fuel station/parking lot tank, squad car purchases, two plow truck purchases. He commented other needs in capital requests that may not be funded. He advocates for replacing the fuel station as it does save the city money in fuel and creates accountability.

Commissioner Kahl inquired about the salary amounts included in the proposed budget. Three departments have over \$267,000 above and beyond the 1.75% benchmark. Director Becker explained that Public Works gave new numbers today for vehicle maintenance, streets, and garbage which are all general fund expenses. There were no changes to the Water/Sewer which is an enterprise fund. Commissioner Densberger asked how to proceed and asked what is most important. He feels that squad cars are a continuing need and purchasing at least seven new squads and the replacing the fueling station. City Council discussed capital requests and priorities. Commissioner Kahl explained that no more than seven vehicle purchases for the Police Department is what he would propose. He proposed looking into allocating monies for purchases over several years for equipment purchases. Commissioner Kahl explained that the generator at Fire Station 4 being a must and that the F-250 could be spread over two years.

Fire Chief Knapp commented on issues with equipment in the Fire Department, concerns with operating with the equipment that the city currently owns, and the need to plan for the future on equipment. He commented on financing options for engine purchases and the length of time it takes to receive an engine once it is purchased. Commissioner Jeffers commented on pushing out payments on vehicles in the future and locking in prices now. Fire Chief Knapp explained that the ambulance purchase is for a new ambulance that is generally a six- to nine-month delivery after it is ordered.

